

CHIP expansion will take time, health officials say

By MIKE DENNISON - IR State Bureau - 01/10/09

The voter-approved expansion of government health insurance for 29,000 additional Montana children will begin in October, but won't be fully in place for at least four years, state health officials told lawmakers Friday.

"We have a very aggressive plan to get to where we are by 2013," said Mary Dalton, director of Medicaid Services for the state.

Montana voters last November approved Initiative 155, which expands the eligibility for Medicaid and the Children's Health Insurance Plan in Montana. The programs provide free health insurance for children in low- and moderate-income families.

While voters approved the measure by a 70-30 margin, the 2009 Montana Legislature still must approve funding for the expansion and pass any new laws needed to implement it.

Gov. Brian Schweitzer has included some \$20 million a year for the program in his proposed state budget for the next two years and asked for as many as 60 new state employees to administer the expansion.

Some of the state's top health officials appeared Friday before the legislative budget panel that will make initial decisions on funding and designing the expansion.

Hank Hudson, director of Economic Security Services for the Department of Public Health and Human Services, said the goal is to make it easier for eligible people to sign up their kids for health coverage under the expanded program, which is known as Healthy Montana Kids. But working out the details and the funding won't be easy, he said.

"While it's a huge challenge, it's our expectation that it will be there," he said. "We'll make sure that people can make the application by October and that they'll get a Healthy Montana Kids card."

Both Medicaid and CHIP are funded with state and federal funds, with the feds providing anywhere from two-thirds to three-fourths of the money. Before the state can make final decisions on its funding, it needs to know what Congress will do on the federal end, Dalton said.

"It's kind of like Christmas; we know we're getting a present, but we don't know what it is," she said. "And we're hoping for a Ferrari instead of a Volkswagen."

U.S. House Speaker Nancy Pelosi, D-Calif., has said the House may act as soon as next week on a bill reauthorizing and increasing the federal funding for CHIP.

The state also has to navigate the rules and funding for both Medicaid and CHIP and make sure the expansion complies. Dalton said the state hopes to add 29,000 kids to both programs by 2013.

"It will be three to four years before things are as well-coordinated as you'd like them to be," she said.

The two programs were covering about 64,000 kids as of last month. Dalton said no one knows for certain how many Montana children remain without health insurance, but that the best estimates are 34,000 to 37,000.

Rep. Chuck Hunter, D-Helena, a former state health official, is carrying a bill to help implement the program.

"I want to see this program get up and running as soon as we can get it up and running," he told the panel Friday.